

#480579

May 2, 1969

MEMORANDUM

TO: R. S. Shannon, Jr., Manager of Public Works

FROM: Don C. Bishop, Land Officer

SUBJECT: City-owned Property at 39th Street and Arkins Court

The land is described as that area lying northeasterly of Arkins Court and southwesterly of the Coliseum parking lot. It is traversed by the open channel of the Park Hill storm sewer and extremely irregular in terrain. Part of the area outside of the storm sewer channel has been filled with all types of refuse, such as concrete, blacktopping and just junk in general.

The parcel has approximately 340 feet of frontage on Arkins Court (150 feet of the frontage is usable to a maximum depth of 150 feet). The total depth of the parcel on the northeasterly boundary line is 750 feet and the width of the parcel at that depth is 150 feet. In the main, the parcel is practically unusable except for the 150' by 150' area mentioned above. The City's ownership contains 3.3 acres, or 143,748 square feet.

In attempting to ascertain some idea of the value of the City-owned parcel, a study of recent sales in the general area was made, and it was found that they range from a low of 50¢ per square foot to a high of 75¢ per square foot. These were sales of usable sites with little or no fill or site preparation required. Conversely, the City's site would require substantial fill and an enormous expenditure for site preparation to handle the Park Hill storm sewer. Therefore, it is felt by the Land Office that the City's ownership, because of its irregular shape and its almost total unusability, is worth between 20¢ and 30¢ per square foot, and for the purpose of this value estimate, 25¢ per square foot will be adopted. This 25¢ per square foot value is felt to be the absolute optimum in value and would probably be worth that much only to an adjacent property owner in order that it could be incorporated into such a property owner's entire ownership.

Under the 25¢ per square foot premise, the indicated market value of the City's ownership would be:

143,748 square feet X 25¢ = \$35,937
Rounded to \$35,950

ADMINISTRATIVE RECORD

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Another approach which would probably be more realistic with regard to the attitude of a prospective purchaser other than an adjacent property owner would be that the estimated market value of the City's ownership on that part that, at the present time, is immediately usable, which would mean that portion of the property (150' by 150', or 22,500 square feet). Even if the maximum known sale in the area of 75¢ per square foot were applied to this square footage, the indicated market value would be \$16,875.00, generously rounded to \$17,000.00.

In reality, the entire City ownership is definitely not worth the cost of the required piping of the Park Hill storm sewer plus the necessary land fill and grading costs.

If you need any further information, feel free to contact me.

DCB:glw

D 00051

May 6, 1969

MEMORANDUM

TO: R. S. Shannon, Jr., Manager of Public Works

FROM: Don C. Bishop, Land Office

SUBJECT: Meeting at Pepsi Cola Regarding Exchange of Land for Cost of Piping Park Hill Storm Sewer

The meeting was attended by Fred Watts; H. Smith, NWC; M. Manning, NWC; D. Bishop, Land Office; Mr. Gooding, of Pepsi Cola and three Pepsi Cola employees.

Mr. Watts presented the City's position as he understood the proposal as presented to the City.

1. Pepsi Cola to contract and pay for the piping of the Park Hill storm sewer according to the Engineers plans and specifications from the present Pepsi Cola ownership to the Platte River.
2. The City of Denver would deed free and clear all the City's right, title and interest, subject to easement for storm sewer to Pepsi Cola, all the City ownership lying easterly of Arkins Court.

Basically, this premise was agreed to by all present, subject to Pepsi Cola's analyzing the economics based on the cost of the construction of the storm sewer piping.

H. Smith and M. Manning agreed to provide Pepsi Cola with sufficient information in order that Pepsi Cola may talk to engineering and/or construction firms so they would be able to pin down the construction cost on which Pepsi Cola can make a decision on the economics of the proposal.

Other points of discussion:

1. The City's ability to assist in providing fill for the area to which Pepsi Cola would acquire title, which to them enters into the economic picture.
2. Pepsi's right to construct buildings over Park Hill storm sewer easement on land they would receive title to.

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3. Possibility of Pepsi Cola's constructing a building that the City could or would lease for:
 - a. Highway Shops;
 - b. Sanitary Services
 - c. Warehouse.
4. It was explained to the Pepsi Cola people the procedures that the City would have to follow in order to grant title to any land that the City owns.

Basically, this is a brief report on what took place at the meeting. If you desire any further information, I would be glad to try to provide it for you.

DCB:glw

D 00049